



NOTICE

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the shareholders of North Eastern Development Finance Corporation Ltd. will be held on Friday, the 29th September, 2023 at 3:00 p.m. at the registered office of the Corporation at NEDFi House, G.S. Road, Dispur, Guwahati - 781006 to transact the following business.

A. Ordinary Business

1. To receive, consider and adopt the Directors' Report and the audited accounts for the year ended 31st March 2023, with Reports of Statutory Auditors and the Comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend.
3. To appoint a Director in place of Sri J. Alam, IAS (DIN: 07613364), Chief Secretary, Government of Nagaland, who retires by rotation in pursuance of Section 152 & 161 of the Companies Act, 2013.
4. To appoint a Director in place of Dr. R. Sharma, IAS (DIN: 02797298), Chief Secretary, Government of Mizoram, who retires by rotation in pursuance of Section 152 & 161 of the Companies Act, 2013.

Special Business

5. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT Sri V. M. Devassy (DIN : 09850306), Chief General Manager, State Bank of India, Guwahati Circle, be and is hereby appointed as Director pursuant to Sections 152 & 161 of the Companies Act, 2013 and not liable to retire by rotation.”

6. To consider, and if thought fit, to pass with or without modification the following resolutions as Ordinary Resolution:

“RESOLVED THAT Sri Kaushik Sinha (DIN: 08848597), Former Chief General Manager, State Bank of India, be and is hereby appointed as Independent Director pursuant to Section 149(4) of the Companies Act, 2013 who shall not be liable to retire by rotation, to hold office for a term of 2 (two) consecutive years from the date of appointment at the Board of Directors meeting”.

7. To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

“ RESOLVED THAT the consent of the Company be and is hereby accorded under the provision of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013 to the Board of Directors of the Company for borrowing at any time or from time to time all such sums as they may deem requisite for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the monies already borrowed, if any, by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed the sum of Rs. 2000,00,00,000 (Rupees Two Thousand Crore only) at any time, exclusive of interest and other charges.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to execute such deeds of mortgage, charges, hypothecation, lien and/or promissory notes, deposits, receipts, instruments, writings and other whatsoever as may be deemed expedient and containing such conditions and covenants as they may deem fit to give effect to this resolution.”

The Directors of the Company or any of the relatives of Directors are not concerned or interested otherwise.

The Special Business does not relate to or affects any other company or entity in which the Director or promoter of the Company is interested.

Any member or stakeholder is free to inspect the documents and records in respect of the proposed resolution at the registered office of the Company during business hours.

8. Proposal for amendment of the Main Object of the Memorandum of Association :-

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 13 of the Companies Act 2013, or any other applicable provisions of Companies Act, 2013 approval is, be and are hereby accorded to the proposal for amendment of the Main Object of the Memorandum of Association to include soliciting / procuring insurance business as a Corporate Agent.

The Directors of the Company or any of the relatives of Directors are not concerned or interested otherwise.

The Special Business does not relate to or affects any other company or entity in which the Director or promoter of the Company is interested.

Any member or stakeholder is free to inspect the documents and records in respect of the proposed resolution at the registered office of the Company during business hours.

By Order of the Board

(V. Agarwal)
Company Secretary

Date:- 07/09/2023

Registered Office:-

NEDFi House, G.S. Road,
Dispur, Guwahati – 781006.

Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy or proxies in the alternative to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the Registered office of the company not less than forty-eight hours before the commencement of the meeting.
2. Register of Members and share transfer books of the Company will remain closed from 19th September, 2023 to 29th September, 2023, both days inclusive, for the purpose of ascertaining the eligibility for payment of dividend for the year 2022-23.
3. Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of item of Special Business are annexed hereto.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102
OF THE COMPANIES ACT, 2013**

Following is the Explanatory Statement in respect of Special Business indicated in the Notice dated 07/09/2023 :-

Item No. 5 :- Sri V.M. Devassy (DIN : 09850306), Chief General Manager, State Bank of India, Guwahati Circle, was appointed as Additional Director with effect from 05-01-2023 pursuant to Section 161 of the Companies Act, 2013. According to Section 161 and other applicable provisions, if any of the Companies Act, 2013 the Directors are to be appointed by the Company in the General Meeting. The Directors recommended appointment of Sri V.M. Devassy (DIN : 09850306) as Director pursuant to Section 161 and other applicable provisions, if any of the Companies Act, 2013.

Except Sri V. M. Devassy (DIN : 09850306), Chief General Manager, State Bank of India, Guwahati Circle, no Director is deemed to be concerned or interested in the item.

Item No. 6 :- Sri Kaushik Sinha (DIN: 08848597), Former Chief General Manager, State Bank of India, was appointed as Independent Director with effect from April 29, 2023, pursuant to Sections 149(4), 152 and 161 of the Companies Act, 2013. According to Sections 152, 161 and other applicable provisions, if any of the Companies Act, 2013 the Directors are to be appointed by the Company in General Meeting. The Directors recommended appointment of Sri Kaushik Sinha as Director pursuant to Sections 149(4), 152 & 161 and other applicable provisions, if any of the Companies Act, 2013.

Except Sri Kaushik Sinha (DIN: 08848597), Former Chief General Manager, State Bank of India, no Director is deemed to be concerned or interested in the item.

Except Sri Kaushik Sinha (DIN: 08848597), no Director is deemed to be concerned or interested in the item.

Item No. 7:- Enhancement of Borrowing limit of NEDFi - Raising From 1000,00,00,000 (Rupees One Thousand Crore only) To Rs. 2000,00,00,000 (Rupees Two Thousand Crore only).

It is for the information of the valued shareholder that the current maximum borrowing limit of the Corporation is Rs.1000.00 Crores, approved by the shareholder in the meeting

dated 30th January 2012 upon recommendation by the Board of Directors in its 82nd Meeting dated December 1, 2011. Further, the Corporation would need additional funds in FY 2023-24 towards disbursement of loans. For arranging of funds for future requirements of the Corporation, the ALCO Committee of the Corporation advised approaching institutions like SIDBI and NABARD for refinance on discounted rates. As such, proposals had been submitted to SIDBI and NABARD for refinance limit of Rs. 100 crores out of which SIDBI has sanctioned Rs. 100 crores. Further, the Corporation has also submitted online proposals to the Department of Economic Affairs, Ministry of Finance, for availing credit facility of Rs. 800 crores for the period 2021-22 to 2026-27, from Japan International Corporation Agency (JICA) and Asian Development Bank (ADB), which is pending before the Ministry of DoNER.

The Board in its 137th meeting dated 21st March 2023 had recommended enhancement of the borrowing limit of the Corporation from the existing Rs. 1000 crores to Rs. 2000 crores subject to the approval of shareholders.

Item No. 8 :- Amendment of the Main Object of the Memorandum of Association to include soliciting or procuring insurance business as a Corporate Agent.

The Corporation envisages venturing into Insurance business when the Corporation is not in retail lending and will also have to train its manpower accordingly and create infrastructure for the same. Considering the potential of generating additional fee-based income from the insurance business, while leveraging its existing infrastructure and client network, the Corporation considers venturing into insurance business as a Corporate Insurance Agent. SBI and other Banks/ FIs have started such business either through different companies and/ or have adequate infrastructure for the same. The Corporation needs to amend its MOA to include Insurance Business of Solicitation and Servicing as a Corporate Agent. The Committee observed that it will take time to comply with the various regulatory/ statutory requirement to start this new venture and as such, it would be prudent to amend the MOA of the Corporation.

The Board in its 136th meeting dated 19th November 2022 had approved the proposal for amendment of the Main Object of Memorandum of Association to include soliciting or procuring insurance business as a Corporate Agent, subject to the approval of shareholders.

To add in the Memorandum of Association and Articles of Association of the Company at page 9 as :

“(viii) to include soliciting or procuring insurance business as a Corporate Agent.”

By Order of the Board

Sd/-
(V. Agarwal)
Company Secretary

Date: 07/09/2023
Registered Office:
NEDFi House, G.S. Road,
Dispur, Guwahati – 781006.
